



October 24, 2007

TO: Holly Wolcott

Office of the City Clerk

Hollywood Property Owners Alliance
1680 Vine Street, Suite 216
Hollywood, CA 90028
phone 323 463 6767 fax 323 463 1839

★★★

Monica Yamada
President
CIM Group, Inc.

Joel Fisher
Vice President
Avalon

Josee Malagon
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Hollywood Media
Center

Jeff Rouze
Treasurer
Historic Hollywood
Hillview LLC

Chris Bonbright
Whitley Court Partners

Lynda Bybee
MTA

William Hertz
Urban Theatres

Nathan Korman
NBK, LLC

Ron Radachy
Oasis of Hollywood

Hilary Royce
Church of Scientology
International

Alan Sieroty
Sieroty Company

Thaddeus Smith
The Music Box
@Fonda

Frank Stephan
The Claret Group

Tej Sandher
Hollywood Guinness
Museum

John Tromson
Tromson Investment
Group

Kerry Morrison
Executive Director

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FROM: Kerry Morrison

Executive Director
Hollywood Property Owners Alliance

SUBJECT: Third Quarter Report
July 1, 2007 through September 30, 2007

As is required in our Agreement with the City of Los Angeles, I am submitting our Second Quarter Report to summarize key activities of the Hollywood Entertainment District.

I. Operational Issues

- The Nominating Committee met and announced a slate of nominees for three year terms: 2007 - 2010: Michael Gargano, Argent/Millennium; Aziz Banayan, Cahuenga; Jose Malagon, Hollywood Media Center; Hilary Royce, Church of Scientology International; and Chris Bonbright, Whitley Court Partners.
- Katie Zandona was hired as the new Communications Director for the HPOA and her first day was August 13, 2007.
- The insurance package for the Association was bid out by Insurance Consultant Steve Romine. The total package this year amounted to \$20,581, which represented a >\$5,000 savings from the current package offered by Farmers Insurance. The new insurance broker is Insurance West and their underwriter is Charity First.

II Security

- A report to the Security Committee by Andrews International revealed that 62 percent of the arrests in the Hollywood Entertainment District to-date this year were for alcohol-related infractions.
- The Security Committee convened a meeting of stakeholders on Ivar concerned about the impact that a sidewalk feeding program was

having on the customers, library patrons and residents in the area. The feeding program, Get Love, said they were in search of an alternative location. In the meantime, out of courtesy, stakeholders have resisted contacting BID security or the LAPD with problems, but it was announced that enforcement actions would be initiated after October 11.

- The board authorized an expenditure of funds toward retaining a first amendment legal expert who could advise on the extent to which the street characters, who pose for tips on the public sidewalks in front of the Chinese and Kodak Theatres, could be regulated. In particular, the board is interested in knowing whether masks could be prohibited, or characters could be required to wear ID badges. Counsel to the HPOA Jeff Briggs will research whether there are any attorneys who could possibly be retained for this research. Possibly the Chamber and the adjacent theatres could help pay for the research.

- The new parcel mapping and incident tracking software (SFW) was debuted in August. The software, which is a joint project of the HED, the Sunset & Vine BID and Andrews International, will prove to be an invaluable tool to increase management efficiency for both the security program, graffiti mapping, and parcel tracking.

III Streetscape Issues

- The Board authorized a \$5,000 contribution, from the Phase II Special Projects Fund, to the Chamber's holiday lighting campaign.
- The board approved the staff seeking a bid to find out the costs associated with removing the stage lights along Hollywood Boulevard that were installed by the CRA in the early 90's. The lights no longer work.
- The Board approved a \$5,000 contribution toward the pigeon birth control program organized by the Argyle Civic Association, to help curb the overpopulation of pigeons that has resulted from a person who feeds the pigeons daily in Hollywood.

IV Marketing Issues

- Staff began working with a new vendor to re-design the HED website. The goal is to be able to easily update it and keep it fresh, without having to use an external programmer. It should be ready by November.

- Staff organized a brainstorming lunch around marketing issues and plans for the coming year, and the new BID. The lunch was held on September 10, 2007. In particular, the invited stakeholders encouraged the BID to research the possibility of creating a brand image for Hollywood – pulling together various partners, such as the Chamber, the other BIDs and the CRA. It was suggested that staff meet with representatives from West Hollywood, where a major brand identity was recently revealed after a year-long effort of research and consensus building.

- Another idea to emanate from this brainstorming lunch was that of a centralized navigation website that would help people get into, through and park in Hollywood. It would be a central place to post street closure notices, parking lots, construction street impacts and the like. Initial research into the potential cost of such a website is being conducted.

- The Board voted to approve an additional \$26,000 to replace 90028 pole banners that went missing after the Chamber's Christmas decorations were taken down in early 2007. Apparently the vendor who had originally taken down the HED banners lost some of them. Because these were sponsored banners, paid by six different companies, it was important to make good on the original sponsorship deal.

- The Hollywood Visitors Guide and Map for 2007-08 was printed in August. Over 500,000 copies were made available to outlets all over Southern California through Certified Folder Display. At the last minute, a corporate sponsor, OPI Nail Laquer agreed to serve as the prime sponsor of the map and filled the budget gap and allowed the print-run to increase from 400,000 to 500,000.

V. BID RENEWAL

- A separate committee that does not report directly to the HPOA Board of Directors is working on the proposal for the 2009 Renewal of the HED. By the third quarter, the committee was considering a \$3.2M budget (up from the current budget of \$2.5). If the boundaries expand, which is a possibility, the budget will expand slightly. With respect to the assessment formula, the staff is looking at reducing the zones of benefit from four to three and also simplifying the assessment formula, which is actually advised (if not required) by the city. Corner properties will likely be assessed for all front footage in the new BID, and there will be no residential discount.

- Over the course of the quarter a meeting was held with property owners “east of Gower,” which is one of the proposed expansion areas.
- The association hired attorney John Lambeth to draft a legal opinion to share with the city to relative to a recent assertion by the city attorney’s office that new construction square footage could not be assessed in the new BID according to the tenets of Prop 218. That is not the view of many legal experts in Prop 218 throughout the state, and a formal letter outlining the HPOA’s view was forwarded to the city clerk’s office in late September.

VI. OTHER

- Kerry Morrison and Sarah MacPherson attended the annual conference for the International Downtown Association in New York City, September 13 - 18.
- Morrison has been attending meetings of the Council District 13 Parking Task Force. In particular, she will be working with the Downtown Center BID and the DOT on a proposal to allow for pedestrians to “hail taxis” in the BID, something which is currently difficult to do, given the state’s vehicle code, and laws governing where cars can pull over.
- A “ten year” timeline, reporting achievements not only in Hollywood but in the BID dating back to 1996 was completed and made available to stakeholders in July.

Hollywood Property Owners Alliance

Annual Limits & Year-To-Date Totals
Quarter Ending September 30, 2007

• Provide a table indicating the dollar amount expended for each budget line item listed in the management district plan for the subject quarter. Also include year-to-date totals and annual limits. For example:

BUDGET LINE ITEM	ANNUAL BUDGET	REVENUE TO DATE	AMOUNT THIS QTR	AMOUNT YEAR-TO-DATE	PROJECTED SPENDING FOR REMAINDER OF THE YEAR	EXPLANATION OF VARIANCE
Assessment Income	2,440,654	2,295,854	-		144,800	
City Fees	24,406		-	24,382	24	
Contingency	50,000		-	-	50,000	
Administration	147,874		22,709	93,007	54,867	
Business	1,300,348		302,157	865,908	434,440	
Infrastructure	672,138		169,863	502,276	169,862	
Personnel	291,086		94,632	176,785	114,301	
Public Works	68,500		25,435	53,425	15,075	
TOTAL	2,554,352	-	614,795	1,715,784	788,545	

Other Income (not included above):	
DWP Grant	2,000
Assessment Penalties	-
Interest-LA City	4,793
Interest-other	12,691
Total other income 3rd Quarter 2007	19,484

